



PAC Asset Management

■ MUTUAL FUNDS ■ FIXED INCOME ■ WEALTH MANAGEMENT ■



- Your Asset Manager of Choice.

April 2022 Market & Economic Review

MACROECONOMIC OVERVIEW

Gross Domestic Product (GDP): Nigeria's GDP grew by 3.98% and 3.40% in fourth quarter and full year of 2021 respectively, driven by notable growth in non-oil sector.

INFLATION: Nigeria's inflation increased by 22 bps to 15.92% in March 2022 (February 2022: 15.70%). The upsurge in the headline index in March 2022 could be attributed to the general increase in prices of food during the period.

CRUDE OIL: The average price of Brent crude oil fell by 5.82% to \$105.92 per barrel in April 2022 (March 2022: \$112.46), mainly driven by rising crude inventories in most oil producing countries.

OUTLOOK: With the continuous interventions of monetary and fiscal authority in the economy, GDP will maintain positive trend in Q1'22. As a result of higher cost of inputs (imported and local) and insecurities in food producing States in the country, there may be a further increase in inflation rate in April. With the ongoing war between Russia and Ukraine which has resulted in disruption of energy flows, crude oil is expected to trade above \$100.00 per barrel in May.



EQUITIES MARKET OVERVIEW

Nigerian equities was dominated by the bulls in April as the NGX All-Share Index and Market Capitalization improved by 5.69% and 5.72% to 49,638.94 and ₦26.76 trillion respectively. The three top gainers during the month are MEYER (+354.55%), NAHCO (+52.56%) and NIGERIAN BREWERIES (+41.16%). The Year-to-Date (YtD) and the Quarter-to-Date (QtD) returns stood at +16.21% and +5.69% respectively.

OUTLOOK: We may likely see profit-taking from few stocks in May. Nevertheless, our outlook for the Nigerian equities market in the month of May remains bullish.



BOND MARKET OVERVIEW

In the **secondary bond market**, the average bond yield grew by 41 bps as it closed at 8.59% in April 2022, compared to 8.18% recorded in March 2022. The result for 1-year, 2-year, 5-year and 8-year bonds traded are 4.72% (+44%), 7.52% (0.01%), 10.71% (+0.61%) and 11.40% (+0.59%) respectively.

In the **primary bond market**, the average yield improved by 20 bps in April as marginal rate for longer tenure of FGN JAN 2042 opened at 12.90% (Feb: 12.70%).

OUTLOOK: With the assumption of high inflation rate in May 2022 and rising policy rates in various countries, yields on bonds of different tenors are expected to improve in May 2022.

FOREIGN EXCHANGE MARKET OVERVIEW

On Investors and Exporters Window, naira appreciated by 36 kobo in April 2022 as exchange rate closed at ₦415.57/\$ (March 2022: ₦415.93/\$).

OUTLOOK: We maintain that the assumption of oil trading above \$100 per barrel in May and the efforts of Nigerian government to fight oil theft and pipeline vandalism in the country may have positive impact on foreign exchange earnings from crude oil. This is expected to have positive effect on the strength of naira in the forex market in May.

The Fund seeks to ensure steady stream of income and capital preservation for investors with modest risk appetite who value liquidity and security of assets. The Fund will invest in low-risk short term Money Market securities such as Government securities, Bank Placement, Commercial Papers, and others which include Promissory notes.

FUND INFORMATION

Fund type	Open-ended
Category	Money Market Fund
Risk profile	Low
Launch date	27-Jul-16
Fund Manager	PAC Asset Management Limited
Trustees	Greenwich Trustees Limited
Custodian	UBA Global Investor Services
Auditors	BDO Professional Services
Management Fee	1% of NAV
Benchmark	91-day Nigerian Treasury Bill
Dividend Frequency	Quarterly
6-year Annual Growth Rate	9.78%
Dealing Days	Monday - Friday
NAV per unit (NGN)	NGN 10.00

INVESTMENT COMMITTEE

Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr. Bunkaya Gana	Trustee's Representative
Mr. Bamidele Ige	Fund Manager
Mr. Oluwaseun Olaoye	Member
Mrs Taiwo Sonola	Custodian

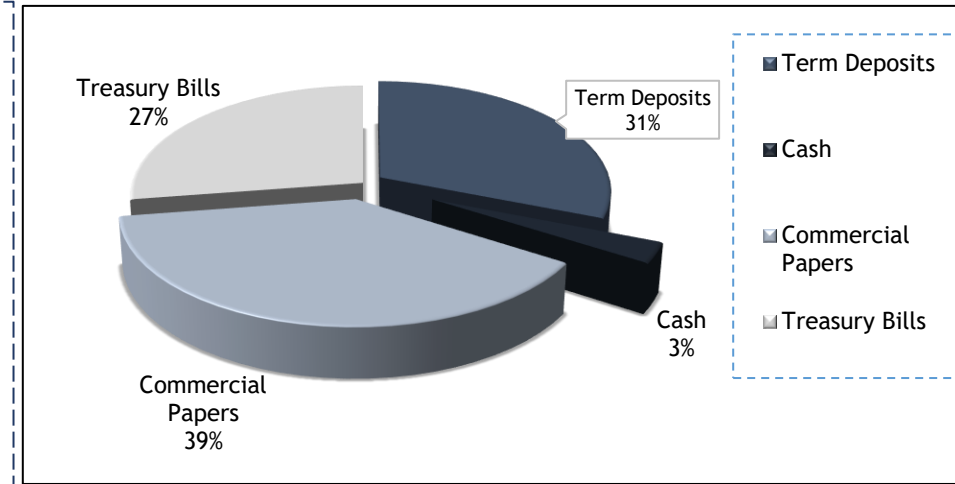
FUND RETURNS

	Mar-22	Apr-22
Current Yield	6.47%	6.48%
Inception to Date	70.06%	71.18%

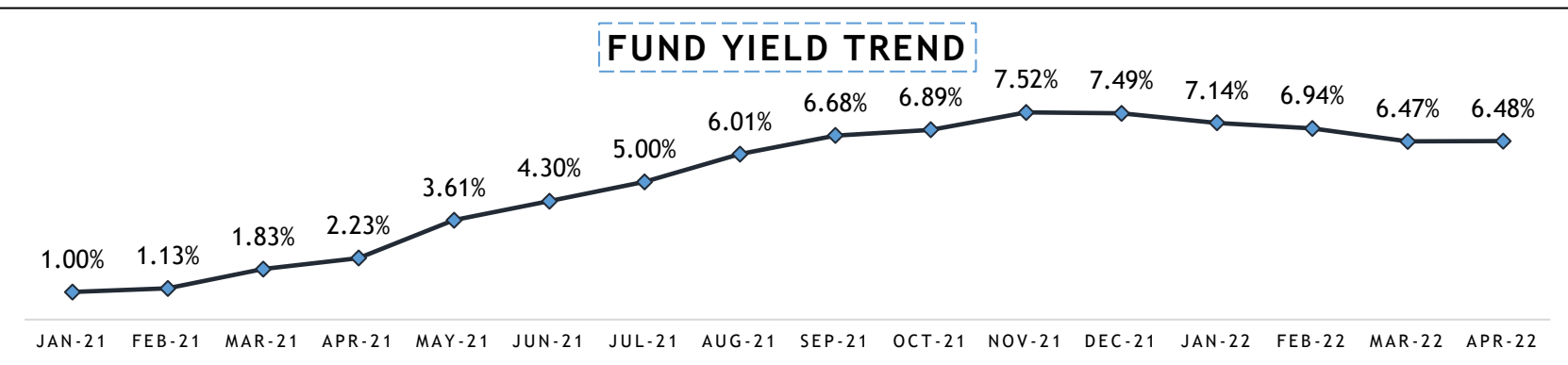
PERFORMANCE REVIEW:

In the Treasury Bill market, the average yield improved at the end of April as the 365-day PMA closed at 4.79% which saw a reversal of the downward trend in the treasury bill space.

Following the general industry trend in the Fixed Income space the money market fund yield declined by 1 basis point (1 bps). The Fund Manager still maintains strategic positions to improve yields amidst declining trends.



ASSET QUALITY (% TOTAL ASSETS)	Mar-22	Apr-22
Term Deposits	34.41	30.96
Cash	2.35	2.99
Commercial Papers	34.95	38.66
Treasury Bills	28.30	27.39



The objective of the Fund is to generate a steady return on capital and assured liquidity for all classes of investors. The Fund's investments will mostly be in long tenured debt instruments of the FGN, States and highly rated corporate institutions. The Fund may also invest its assets in money market securities such as Treasury Bills, Commercial papers, Bankers Acceptances and Certificate of Deposits with rated banks in Nigeria.

FUND INFORMATION

Fund type	Open-ended
Category	Fixed Income Fund
Risk profile	Moderate
Launch date	27-Jul-16
Fund Manager	PAC Asset Management Limited
Trustees	Greenwich Trustees Limited
Custodian	UBA Global Investor Services
Auditor	BDO Professional Services
Management Fee	1% of NAV
Benchmark	5-year Nigerian Sovereign Bond
Dividend Frequency	Annual
5-Year Annual Growth Rate	7.29%
Dealing Days	Monday – Friday
NAV per unit (NGN)	NGN 11.70

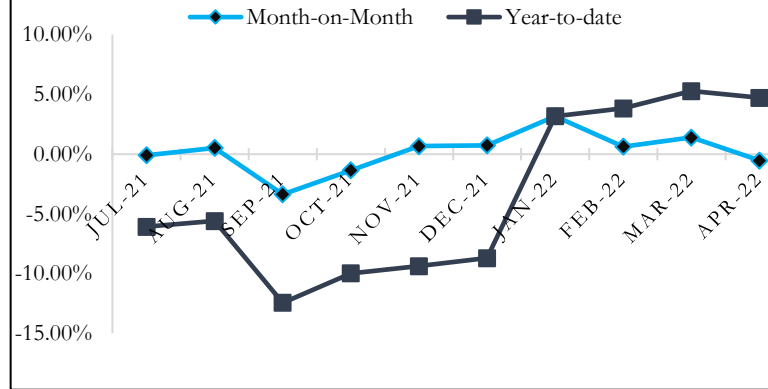
INVESTMENT COMMITTEE

Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr. Bunkaya Gana	Trustee's Representative
Mr. Bamidele Ige	Fund Manager
Mr. Oluwaseun Olaoye	Member
Mrs Taiwo Sonola	Custodian

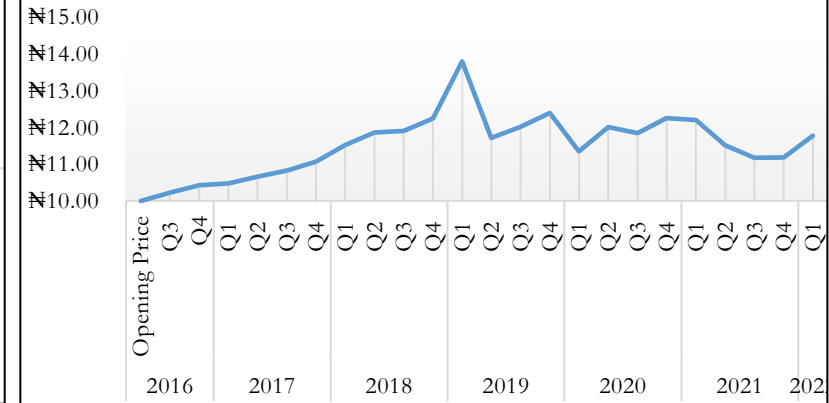
FUND RETURNS

	Mar-22	Apr-22
Month-on-Month	1.40%	-0.54%
Year-to-date	5.28%	4.72%
Inception-to-date	53.14%	52.51%

FUND RETURNS CHART

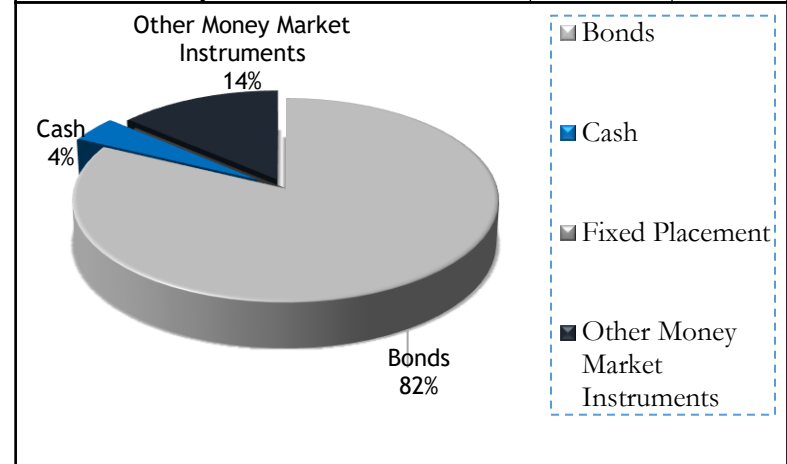


Q-o-Q Fund Price since Inception



ASSET QUALITY (% TOTAL ASSETS)

	Mar-22	Apr-22
Bonds	83.92	82.15
Cash	4.42	4.09
Other Money Market Instruments	11.66	13.76



PERFORMANCE REVIEW:

The average bond yield grew by 41 bps as it closed at 8.59% in April 2022, compared to 8.18% recorded in March 2022. The result for 1-year, 2-year, 5-year and 8-year bonds traded are 4.72% (+44%), 7.52% (0.01%), 10.71% (+0.61%) and 11.40% (+0.59%) respectively.

Following the general industry trend in the Fixed Income space the fixed Income fund yield saw a M-o-M decline of 54 basis point (54 bps). The Fund Manager is committed to ensuring the Fund's Portfolio is well diversified and strategic to ensure good returns.

The primary objective of PACAM Balanced Fund is to achieve long-term capital appreciation, capital preservation as well as providing a stable stream of income to investors by investing the Fund's assets across a mix of investment-grade fixed income instruments, Money Market Instruments & Real Estate Assets and high-quality listed equities on the NSE.

FUND INFORMATION

Fund type	Open-ended
Category	Balanced Fund
Risk profile	Moderate
Launch date	15-May-15
Fund Manager	PAC Asset Management Limited
Trustees	FBN Trustees Limited
Custodian	UBA Global Investor Services
Auditors	BDO Professional Services
Management Fee	1% of NAV
Benchmark	Composite index comprising of NSE ASI, 5-Year Nigerian Sovereign Bond, 1-Year Nigerian Treasury Bill
Dividend Frequency	Annual
6-Year Annual Growth Rate	11.91%
Dealing Days	Monday – Friday
NAV per unit (NGN)	NGN 1.73

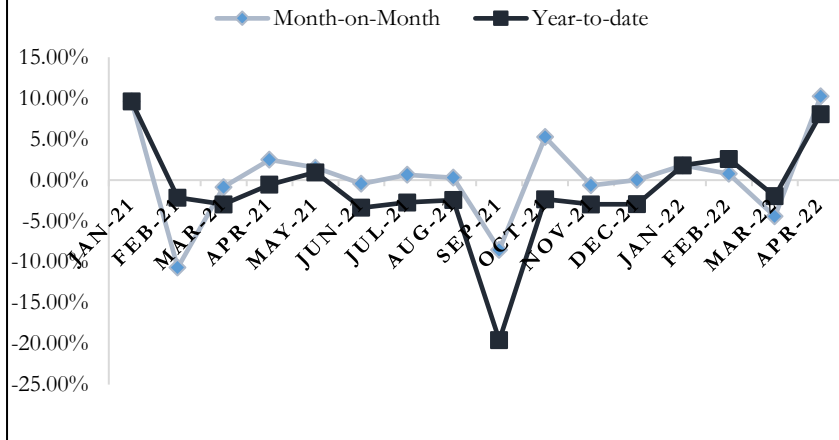
INVESTMENT COMMITTEE

Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr. Bunkaya Gana	Trustee's Representative
Mr. Bamidele Ige	Fund Manager
Mr. Oluwaseun Olaoye	Member
Mrs Taiwo Sonola	Custodian

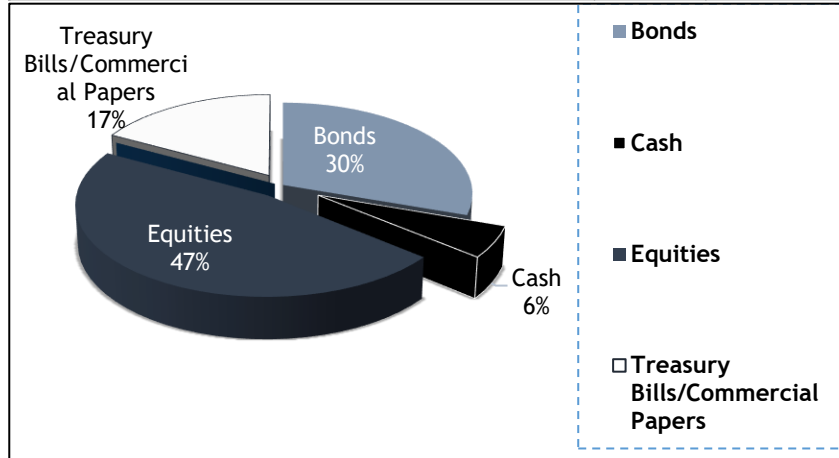
FUND RETURNS

	Mar-22	Apr-22
Month-on-Month	-4.44%	10.23%
Year-to-date	-1.97%	8.06%
Inception-to-date	109.15%	125.71%

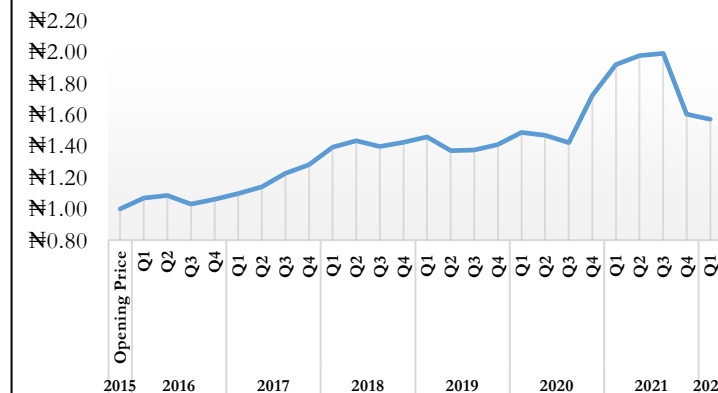
FUND RETURNS CHART



ASSET QUALITY (% TOTAL ASSETS)	Mar-22	Apr-22
Bonds	31.79	30.27
Cash	3.01	5.63
Equities	46.49	47.03
Treasury Bills/Commercial Papers	18.71	17.06



Q-o-Q Fund Price since Inception



PERFORMANCE REVIEW:

The fund NAV witnessed M-o-M increase as investors took advantage of undervalued stocks. With an impressive All share Index YTD return up by 16.21% at the end of April 2022, we anticipate a further upward trend as listed company begin to release their Q1 2022 Financials. The fund manager will continue to carry out tactical allocation measures to ensure a fully optimized portfolio.

The primary objective of PACAM Equity Fund is to achieve long-term capital appreciation by investing in high quality listed equities across sectors on the Nigerian Stock Exchange (NGX) as well as Fixed income instruments, with more concentration on equity instruments.

FUND INFORMATION

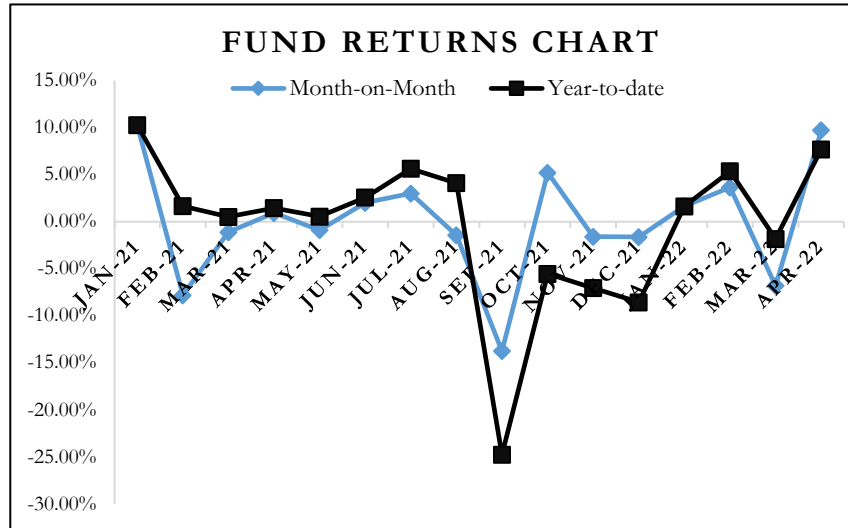
Fund type	Open-ended
Category	Equity Fund
Risk profile	High
Launch date	20-May-19
Fund Manager	PAC Asset Management Limited
Trustees	FCMB Trustees Limited
Custodian	UBA Global Investor Services
Auditor	BDO Professional Services
Management Fee	1% of NAV
Benchmark	NSE All Share Index
Dividend Frequency	Annual
Compounded Annual Growth Rate	18.06%
Dealing Days	Monday – Friday
NAV per unit (NGN)	NGN 1.42

INVESTMENT COMMITTEE

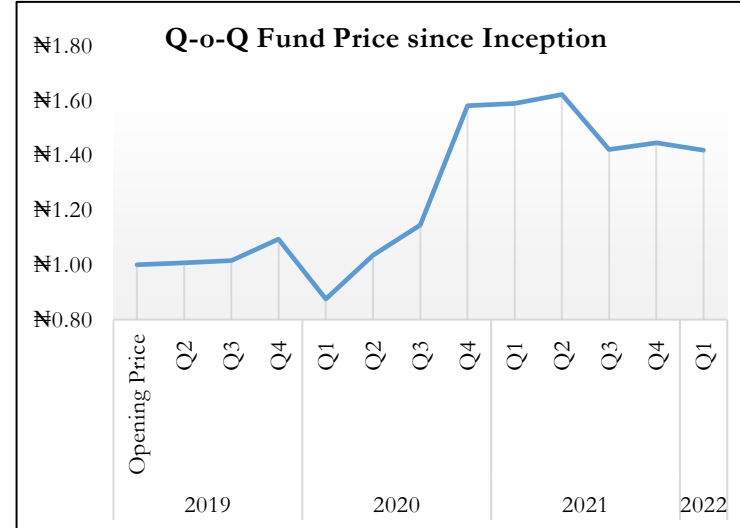
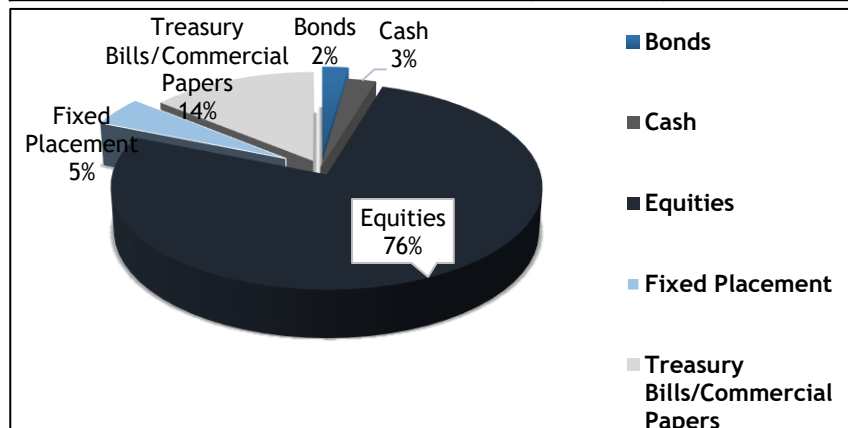
Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr. Bunkaya Gana	Trustee's Representative
Mr. Bamidele Ige	Fund Manager
Mr. Oluwaseun Olaoye	Member
Mrs. Taiwo Sonola	Custodian

FUND RETURNS

	Mar-22	Apr-22
Month-on-Month	-6.82%	9.71%
Year-to-date	-1.83%	7.70%
Inception-to-date	64.84%	78.62%



ASSET QUALITY (% TOTAL ASSETS)	Mar-22	Apr-22
Bonds	2.51	2.25
Cash	1.72	2.46
Equities	74.97	76.45
Fixed Placement	3.59	4.70
Treasury Bills/Commercial Papers	17.21	14.14



PERFORMANCE REVIEW:

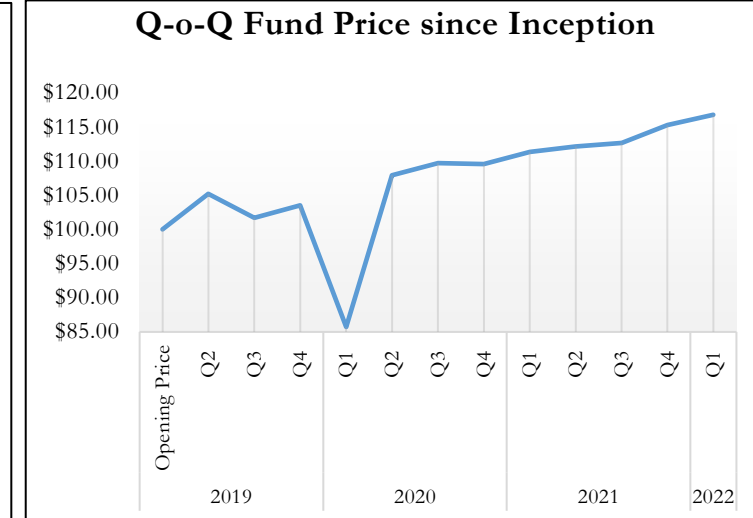
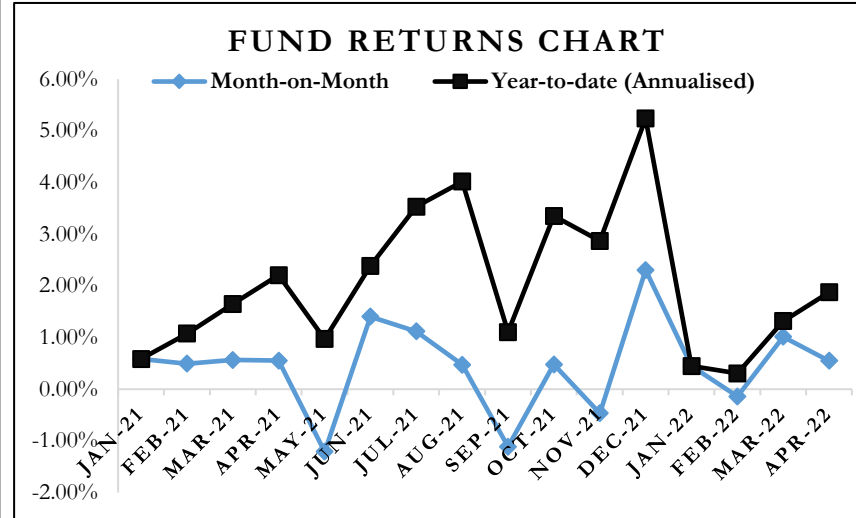
Nigerian equities was dominated by the bulls in April as the NGX All-Share Index and Market Capitalization improved by 5.69% and 5.72% to 49,638.94 and ₦26.76 Trillion respectively.

The fund witnessed significant NAV increase due to the positive trend, as investors rally in on under-valued stocks. The fund manager will continue to carry out tactical allocation measures to ensure a fully optimized portfolio. The fund manager will continue to carry out tactical allocation measures to ensure a fully optimized portfolio.

The objective of the Fund is to generate a steady return on capital and assured liquidity for all classes of investors. The Fund's investments will mostly be in dollar-denominated long tenured debt instruments of the FGN, States and highly rated corporate institutions. The Fund may also invest its assets in dollar-denominated money market securities.

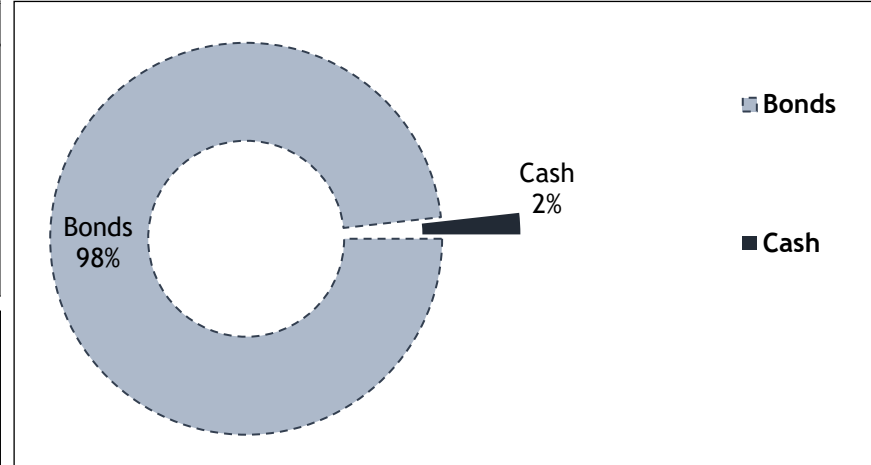
FUND INFORMATION

Fund type	Open-ended
Category	Dollar Denominated Bond Fund
Risk profile	Moderate
Launch date	20-May-19
Fund Manager	PAC Asset Management Limited
Trustees	FCMB Trustees Limited
Custodian	UBA Global Investor Services
Auditor	BDO Professional Services
Management Fee	1% of NAV
Benchmark	5-Year Nigerian sovereign Eurobond
Dividend Frequency	Annual
Compounded Annual Growth Rate	5.71%
Dealing Days	Monday – Friday
NAV per unit (USD)	\$ 116.79



ASSET QUALITY (% TOTAL ASSETS)	Mar-22	Apr-22
Bonds	99.16	98.24
Cash	0.84	1.76

ASSET ALLOCATION (% OF TOTAL ASSETS)



INVESTMENT COMMITTEE

Mr. Sam Onukwue	Chairman
Mr. Sina Alimi	Member
Mr. Bunkaya Gana	Trustee's Representative
Mr. Bamidele Ige	Fund Manager
Mr. Oluwaseun Olaoye	Member
Mrs. Taiwo Sonola	Custodian

FUND RETURNS	Mar-22	Apr-22
Month-on-Month	1.01%	0.55%
Year-to-date (Annualised)	1.32%	1.87%
Inception-to-date	19.71%	20.35%

PERFORMANCE REVIEW:

The month saw asset prices rebound in the Eurobond space which led to an improvement in fund's NAV during the month under review. In this space, we expect Policy response to Inflation in major economies to impact asset prices, which still presents buying opportunities. The Fund manager will continue to monitor the Eurobond space. The fund still presents tactical opportunities for entry, a hedge against inflation and devaluation of the local currency.

M-O-M Fund NAV performance

Fund Prices:	Mar-22	Apr-22	% Change
PACAM Balanced Fund	₦1.57	₦1.73	10.19%
PACAM Fixed Income Fund	₦11.77	₦11.70	-0.54%
PACAM Money Market Fund	₦10.00	₦10.00	
PACAM Equity Fund	₦1.42	₦1.56	9.86%
PACAM Eurobond Fund	\$116.79	\$117.43	0.55%

To invest, kindly make payment to the bank accounts detailed below:

	PACAM Money Market Fund	PACAM Fixed Income Fund	PACAM Balanced Fund	PACAM Equity Fund	PACAM Eurobond Fund
Bank	UBA PLC	UBA PLC	UBA PLC	UBA PLC	UBA PLC
Account Name	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Money Market Fund	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Fixed Income Fund	UBA PLC Nominee - Main Street Bank Trustees & Asset Mgt. PACAM Balanced Fund	UBA NOM-FCMB Trustees/PACAM Equity Fund	UBA NOM-FCMB Trustees/PACAM Eurobond Fund
Account No.	1019535675	1019535682	1019045402	1021941770	1021941866
Currency	NGN	NGN	NGN	NGN	USD
USSD Code	*402*91904308* AMOUNT#	*402*91904309*AMOUNT#	*402*91904312*AMOUNT#	*402*91904311* AMOUNT#	-

* USSD Code is currently active for UBA and Zenith Bank account users only.



www.pacassetmanagement.com

PAC Asset Management Limited

RC695281

A PanAfrican Capital Holdings Company

Plot 8A, Elsie Femi-Pearse Street,
Off Adeola Odeku Street,

P.O. Box 70823, Victoria Island,
Lagos, Nigeria.

Tel: + 234 (1) 271 6899

Email: info@pacassetmanagement.com

Website: www.pacassetmanagement.com



- Your Asset Manager of Choice.